



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

DIVISION OF OIL AND GAS

550 W. 7th Avenue Suite 1100
Anchorage, Alaska 99501-3560
Main: 907.269.8800
Fax: 907.269.8939

April 17, 2023

PUID: LONS-79-118-PM032823A

Keri Iles
Environmental Specialist- Land Use
Hilcorp North Slope, LLC
3800 Centerpoint Drive #1400
Anchorage, AK 99503

RE: LONS 79-118, Hilcorp North Slope, LLC, Prudhoe Bay Unit, SIP Pad Expansion Unit Plan of Operations Amendment Decision.

Dear Ms. Iles:

The Alaska Department of Natural Resources, Division of Oil and Gas (Division), in accordance with Alaska Statute 38.05 and Alaska Oil and Gas Leasing Regulations (11 AAC 83) grants authorization to conduct activities on state lands as proposed in the Prudhoe Bay Unit (PBU) Plan of Operations (Plan) amendment application dated March 28, 2023 for the above referenced project.

Scope:

Hilcorp North Slope, LLC is requesting to expand the Seawater Injection Plant (SIP) Pad located in the Eastern Operating Area (EOA) of the Prudhoe Bay Unit (PBU). The pad expansion will provide additional surface area for the drilling of a new produced water (PW) injection well. Activities include expanding the pad, drilling one new PW injection well, and installing a well house, tie-in piping, valves, and other infrastructure. The purpose of the project is to increase field recovery of the Ivishak reservoir by installing a new PW well that will inject produced water into the gas cap. The project is scheduled to begin on May 1, 2023, and will be completed by March 2024.

Plan activities include:

- Expand the SIP Pad to the west by approximately 200 feet by 50 feet, impacting approximately 0.2 acres of tundra.
 - Approximately 2,500 cubic yards of gravel will be used as fill.
 - Gravel will be sourced from permitted sources and side slopes will be 2:1.
 - Equipment for pad expansion will include dump trucks, front end loaders, graders/blade tractors, and compactor.
- Drill one new PW injection well adjacent to existing on pad infrastructure.
- Install well house, tie-in piping, valves, and other infrastructure from existing infrastructure to the new well.

Location information:

PBU

SIP

Meridian: Umiat Township: 11N Range: 15E Section: 31

70.26053, -148.446834 NAD83

ADL: 028326

SIP is located approximately three miles north of Deadhorse.

Agency review:

The Division provided a review and comment opportunity for the activities considered for the authorization under this decision. The following government entities were notified on March 29, 2023, for comment on the Plan: US Army Corp of Engineers (USACE), Alaska Department of Environmental Conservation (ADEC), Alaska Department of Fish and Game (ADF&G), Alaska Department of Natural Resources: Divisions of Mining, Land & Water (DMLW) and Oil and Gas (DOG), and the North Slope Borough (NSB). The comment deadline was 4:30 pm Alaska time on April 12, 2023. No comments were received.

Conditions/Stipulations:

A certified As-Built Survey of the activity shall be provided within one year of placement of the improvement. This As-Built must contain a hard copy, as well as a digital GIS file containing a shapefile or ESRI Feature Class.

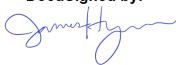
Please attach this amendment approval with the original decision. This unit operations amendment approval is issued in accordance with Alaska Statute 38.05, Alaska Administrative Codes 11 AAC 83.346 and 11 AAC 83.303. The Division reviewed this amendment under the unit regulation for the Plan, 11 AAC 83.346, and considers the factors set forth in 11 AAC 83.303(a) and (b). The amendment was also evaluated against the PBU agreement for conformance.

This approval signifies only that the State of Alaska has no objection to the operations outlined in the Plan amendment application. It does not constitute certification of any property right or land status claimed by the applicant nor does it relieve the applicant of responsibility to obtain approvals or permits from other persons or governmental agencies that may also be required. All stipulations contained in the original lease and subsequent Plan approvals remain in full force and effect.

If activities have not commenced, this approval expires on April 17, 2026. Failure to comply with the terms and conditions outlined in the lease, the attached stipulations, and this authorization may result in revocation of this unit operations approval.

Any questions or concerns about this amendment may be directed to Natural Resource Specialist Hayley Beitel at (907)269-8570 or emailed to hayley.beitel@alaska.gov.

Sincerely,

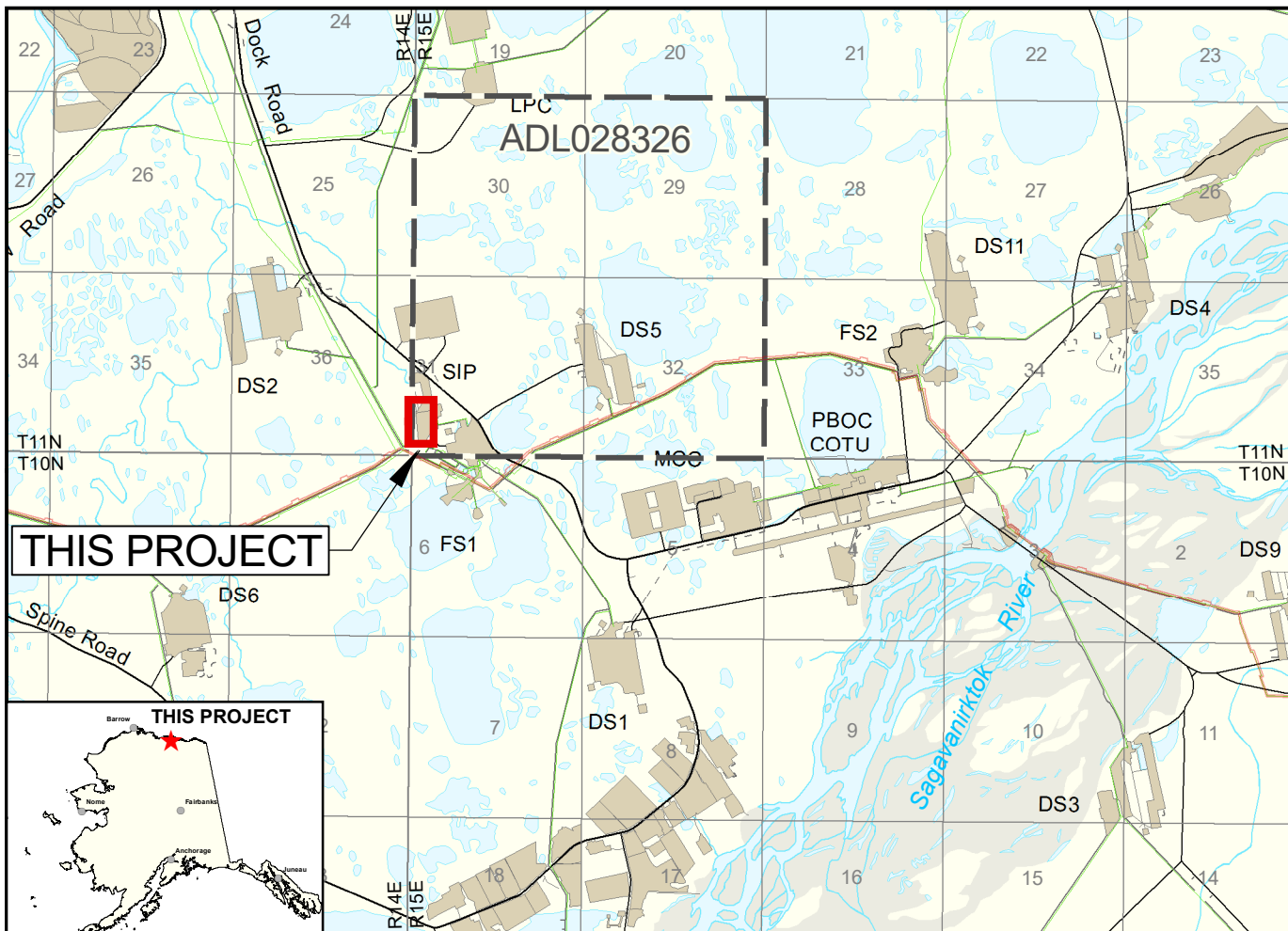
DocuSigned by:

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James Hyun
Natural Resource Specialist

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of “issuance” of this decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. Under 11 AAC 02.030, appeals and requests for reconsideration filed under 11 AAC 02 must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a) and (b). This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st calendar day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

Attachments: Figures 1-4
2018 North Slope Mitigation Measures

ecc: DOG: Graham Smith, Ashley Ethridge, Alexander Zinck, Hayley Beitel, Molly Fenton,
James Hyun, Rebecca Marks, DOG Units, and SPCO Records
DMLW: DMLW North Slope, SAIL and Henry Brooks
ADF&G: Chelsea Clawson and Maria Wessel
ADEC: Laurie Silfven, DEC Water Oil and Gas, DEC Agency Reviews, and DEC
Contaminated Sites
Borough: North Slope Borough Planning and Permitting
Other: USACE



This map is based on U.S.G.S quad Beechey Point (B-3) and on the Unit Operator's Facility Maps.

PROJECT LOCATION:

PRUDHOE BAY UNIT - SIP

NAD83

LAT. = 70° 15' 37.909" / DD 70.26053

LONG. = -148° 26' 48.601" / DD -148.446834

ALASKA STATE PLANE ZONE 4, NAD83

X = 1,832,534.59 FEET

Y = 5,947,154.43 FEET

ADL # 028326 SEC. 31 T11N, R15E UMIAT M.

DATUM: MEAN SEA LEVEL

ADJACENT PROPERTY OWNER:

STATE OF ALASKA

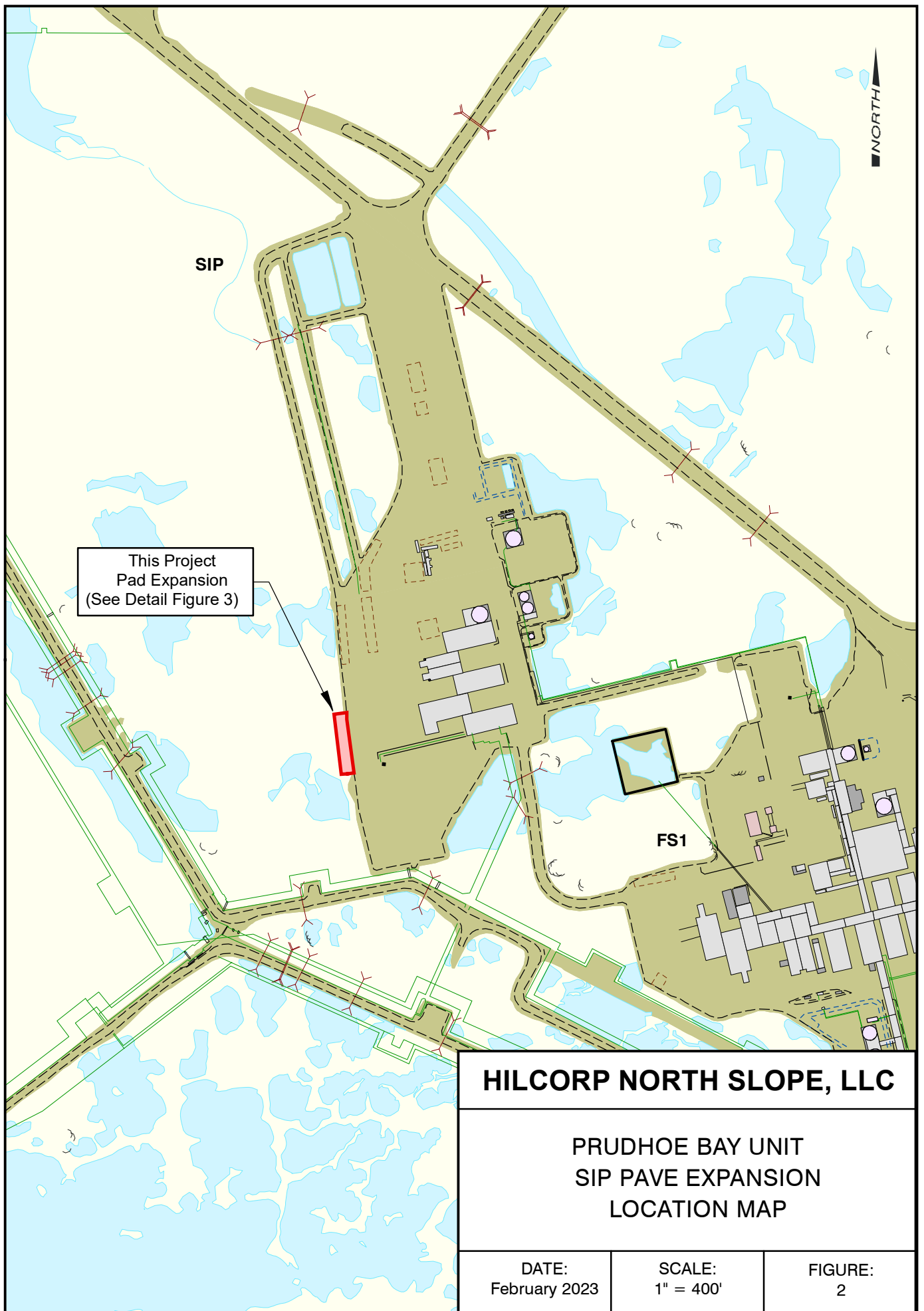
HILCORP NORTH SLOPE, LLC

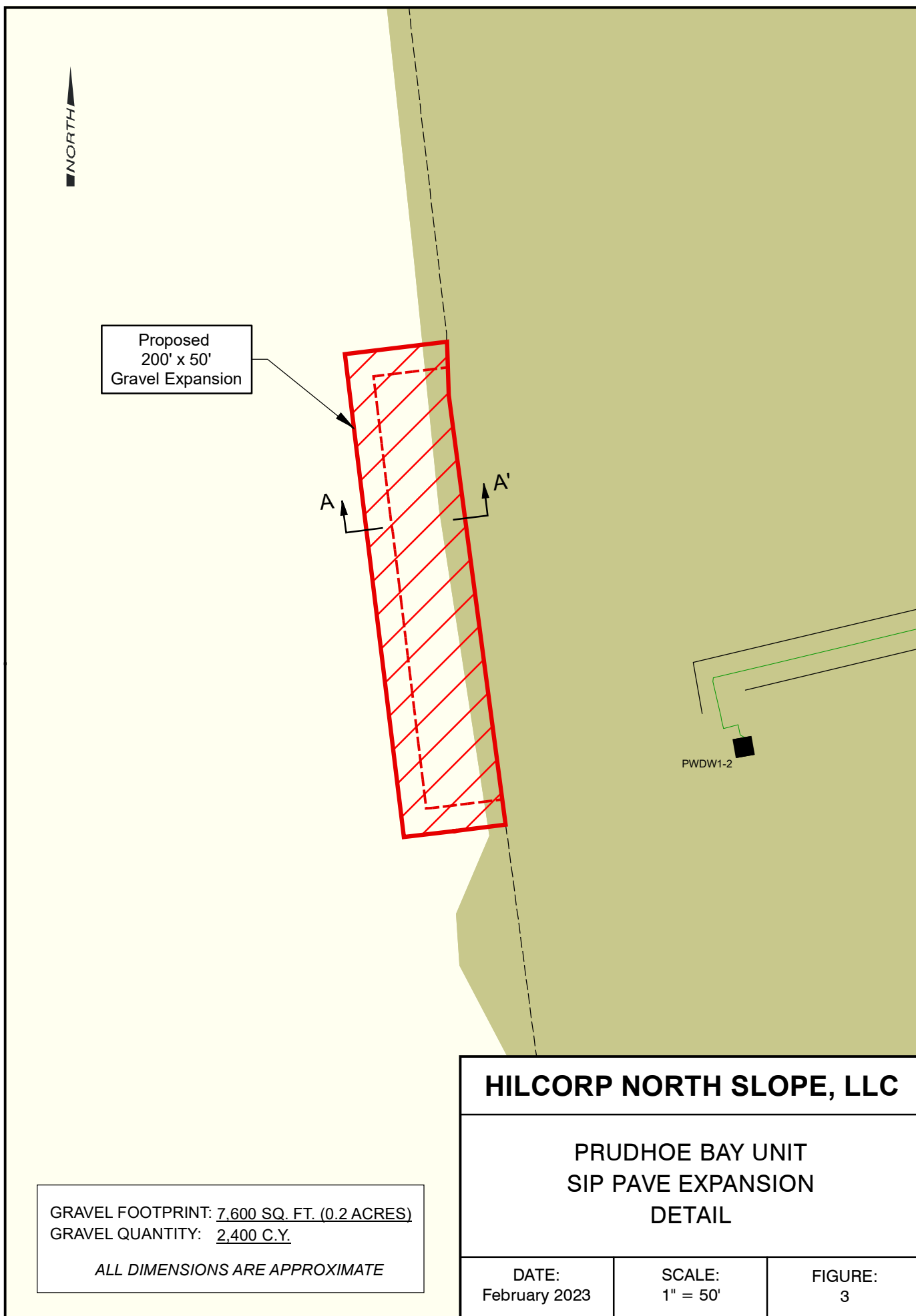
**PRUDHOE BAY UNIT
SIP PAVE EXPANSION
VICINITY MAP**

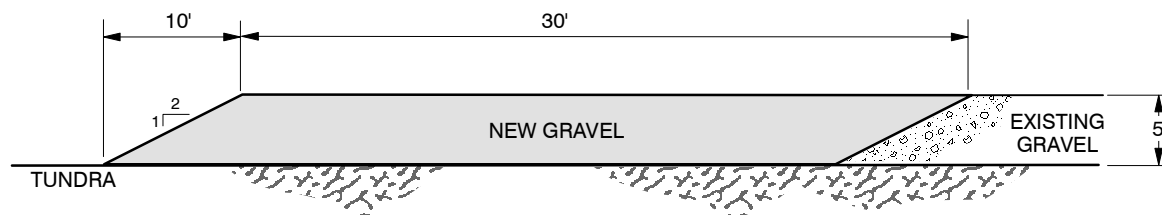
DATE:
February 2023

SCALE:
1" = 1 Mile

FIGURE:
1







GRAVEL EXPANSION A-A'

HILCORP NORTH SLOPE, LLC

**PRUDHOE BAY UNIT
SIP PAVE EXPANSION
CROSS SECTION**

DATE:
February 2023

SCALE:
NOT TO SCALE

FIGURE:
4

ALL DIMENSIONS ARE APPROXIMATE